

2006-2007 PERFORMANCE PLAN – CHIEF ACTUARY

Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
20%	Actuarial Service Level Expectations	<ul style="list-style-type: none"> For public agencies, complete all contract amendment cost analyses that do not require participant data changes within an average of 30 days. For State and Schools, complete all legislative cost analyses within the periods required by GOVA. Complete all Option 4 and subrogation requests within time periods established by the service level agreement with the Benefits branch. By October 31, 2006, mail 100% of all public agency 6/30/2005 annual actuarial valuation reports containing employer rates for the fiscal year 2007-08. By April 30, 2007, complete the annual actuarial valuations for the 1959 Survivor program, the Volunteer Firefighters Length of Service Award System, the Legislators Retirement System, and the Judges Retirement Systems I and II. By April 30, 2007, complete the calculation of the State employer contribution rates for the fiscal year 2007-2008. By April 30, 2007, complete the calculation of the School employer contribution rate for the fiscal year 2007-2008. 	From schedule
20%	CalPERS response to GASB 43 and 45 – retiree medical costs	<ul style="list-style-type: none"> Perform all work necessary to implement the Board’s phase-in of assisting employers with GASB 43 and 45 compliance. <ul style="list-style-type: none"> By December 31, 2006, obtain Board direction for GASB implementation. BY March 31, 2007, offer pre-funding tool to employers. By June 30, 2007, complete a detailed analysis to determine the functional and business requirements necessary for a full service retiree health pre-funding model 	

2006-2007 PERFORMANCE PLAN – CHIEF ACTUARY - continued

Qualitative Performance Measures - continued

Weight	Factor	Performance Measure	Incentive Schedule
20%	CalPERS Enterprise-wide projects	<ul style="list-style-type: none"> • Enterprise Transition Management <ul style="list-style-type: none"> • By December 30, 2006, complete the organizational readiness assessment for your organization to move to the new PSR environment • Enterprise Compliance <ul style="list-style-type: none"> • By June 30, 2007, perform compliance risk assessment of policies, rules and regulations identified in FY 2004/05, using an enterprise template* to determine compliance exposures and impact to CalPERS for non-compliance. • NOTE: By the end of the second quarter, the Office of Enterprise Compliance and the Office of Audit Services will create a template, develop criteria and provide training on compliance risk assessment • Employee Survey Initiatives <ul style="list-style-type: none"> • By August 30, 2006, gain AEO/DEO approval for one high impact activity from the attached list of 14 Employee Survey Initiatives to begin in FY 2006-07. The activity must be significant and meaningful to your division. • By June 30, 2007, complete the activity you have chosen • Succession Planning & Management <ul style="list-style-type: none"> • By June 30, 2007, complete the policies and procedures identified to be documented in FY 2006-07 in ERSD's Succession Plan to ensure that future staff succession takes place without loss of organizational effectiveness. • Customer Education Solution <ul style="list-style-type: none"> • By June 30, 2007, roll out Stage I of the Customer Education Solution to provide customers with online education and registration capabilities to better meet their needs and improve CalPERS efficiency. <p>OR</p> <ul style="list-style-type: none"> • By June 30, 2007, as part of the Customer Education Solution develop curriculum for educating employers on retirement program administration and a centralized repository to store employer educational content and materials. 	

2006-2007 PERFORMANCE PLAN – CHIEF ACTUARY - continued

Qualitative Performance Measures - continued

Weight	Factor	Performance Measure	Incentive Schedule
15%	Pension System Resumption	<ul style="list-style-type: none"> Continue as co-Executive sponsor of this project to ensure that the following objectives are completed: By June 30, 2007, complete Phases I and II of the PSR Project, recognizing that different parts of the organization will have varying degrees of involvement and all divisions will provide whatever support is necessary for achievement. By September 30, 2006, complete negotiations with selected Business Partner, obtain project budget approval and award contract. * By December 31, 2006, approve Project Management Plan and Schedule for Phase I – Initiation. * By March 31, 2007, complete Phase I – Initiation and approve Project Management Plan and Master Schedule for remaining phases. * By June 30, 2007, complete Phase II – Planning and initiate Phase III – General Design. <p>* The dates above assume that the Procurement Phase completes on schedule.</p>	From schedule
15%	CalPERS Educational Forum	<ul style="list-style-type: none"> By October 31, 2006, complete the 2006 Educational Forum and obtain an average satisfaction rating of 4.0 or higher on a scale of 1 to 5 of all completed attendee evaluations. 	From schedule
10%	Special Projects	<ul style="list-style-type: none"> Complete all unplanned tasks assigned by the Board or the Chief Executive Officer by the deadlines assigned. For example: <ul style="list-style-type: none"> DB/DC Communication and Employee Engagement New Product Development 	From schedule
100%	Total	Qualitative Measures	

Supervisor's Approval: Original signed by Fred Buenrostro

Date: August 1, 2006